

**CITY OF NEVADA CITY
ACTION MINUTES
REGULAR CITY COUNCIL MEETING OF APRIL 12, 2017**

NOTE: This meeting is available to view on the City's website www.nevadacityca.gov – Go to **Quick Links** and Click on **Agendas & Minutes** and find the Archived Videos in the middle of the screen. Select the meeting date and Click on **Video** to watch the meeting. For website assistance, please contact Corey Shaver, Deputy City Clerk at (530) 265-2496, ext 133.

- City Council Meetings are available on DVD. To order, contact City Hall - cost is \$15.00 per DVD.
- Closed Session Meetings are not recorded.

CLOSED SESSION MEETING – 5:00 PM

1. Pursuant to Government Code Section 54956.8, a closed session is requested with negotiators City Manager Mark Prestwich, Assistant City Manager Catrina Olson and Consulting City Attorney Hal DeGraw regarding possible sale of City-owned property.
2. Conference with Labor Negotiators – Pursuant to Government code §54957.6 a closed session with Mark Prestwich, City Manager and Catrina Olson, Assistant City Manager as the City's designated representatives for negotiations on compensation adjustment for Police Chief and Nevada City Police Officers Association successor Memorandum of Understanding.
3. Pursuant to Government Code Section 54956.9(a), the City Attorney and contract attorney P. Scott Browne are requesting a closed session item to discuss, confer and receive advice on the pending litigation case of *Friends of Spring Street v. Nevada City, et al.* C081195, Nevada County Superior Court No. CU15080911 following receipt of a not to be published decision of the Third Appellate District Court."
4. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION pursuant to Government Code §54956.9 – Significant exposure to litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: 1 potential case.

Action: Staff to proceed as directed.

REGULAR MEETING – 6:30 PM - Call to Order

Roll Call: Present: Moberg, Parker, Vice Mayor Strawser & Mayor Phelps
Absent: Senum

PLEDGE OF ALLEGIANCE

PROCLAMATION:

PRESENTATION:

1. BUSINESS FROM THE FLOOR-PUBLIC COMMENT (Per Government Code Section 54954.3)

Please refer to the meeting video on the City's website at www.nevadacityca.gov.

2. COUNCIL MEMBERS REQUESTED ITEMS AND COMMITTEE REPORTS:

Please refer to the meeting video on the City's website at www.nevadacityca.gov for comments.

3. CONSENT ITEMS:

1. **Subject:** Temporary Loan of City Documents to Doris Foley Historical Library
Recommendation: Pass a Motion authorizing Mayor to sign Agreement for Temporary Loan of Nevada City Documents to Doris Foley Historical Library.

2. **Subject:** Operations & Maintenance Agreement with the Department of Toxic Substances Control for Stiles Mill Property
Recommendation: Pass a Motion authorizing Mayor to Sign the Operations & Maintenance Agreement.
3. **Subject:** Accounts Payable Report – March 2017
Recommendation: Receive and file.
4. **Subject:** Farmers Market Street Closure Request
Recommendation: Review and authorize Nevada City Farmers Market street closure request per application.
5. **Subject:** Compensation Adjustments for Part-Time Community Service Officer I Classification
Recommendation: Pass a motion authorizing compensation adjustments for the City's part-time Community Service Officer I Classification.
6. **Subject:** Award of Contract for Water and Sewer Repairs at Various Locations in Nevada City
Recommendation: Pass a Motion awarding a contract to CME Services in the amount of \$75,448 plus \$5,000 contingencies for Water and Sewer Repairs at Various Locations in Nevada City and authorize the Mayor to sign.
7. **Subject:** Contract for Annual Financial Audit Services
Recommendation: Pass Resolution 2017-22 authorizing the Assistant City Manager to sign an agreement engaging the services of Smith and Newell CPA's to perform annual auditing services for the City of Nevada City for fiscal year 2016-2017 and 2017-2018.
8. **Subject:** Award of Contract Change Order for Sidewalk Improvements at Various Locations in Nevada City
Recommendation: Pass Resolution 2017-23 awarding a contract change order to Central Valley Engineering & Asphalt, Inc., Roseville, CA in the amount of \$25,000 for sidewalk improvements at various locations and authorize the Mayor to sign.

Action: Motion by Parker, seconded by Moberg to approve Consent Items as presented
(Approved 4 – 0; Senum absent)

4. APPROVAL OF ACTION MINUTES:

A. City Council Meeting – March 22, 2017

Action: Motion by Strawser, seconded by Parker to approve March 8, 2017 Minutes as revised to note Council direction regarding minimum 21-year-old age requirement for the Cannabis Dispensary Ordinance.
(Approved 4 – 0; Senum absent)

5. DEPARTMENT REQUESTED ACTION ITEMS AND UPDATE REPORTS:

1. **Subject:** Nevada County Transportation Commission's (NCTC) Draft Fiscal Year (FY) 2017/18 Overall Work Program
Recommendation: Review projects proposed for inclusion in the NCTC FY 2017/18 Overall Work Program (OWP) and pass Resolution 2017-24 approving the projects proposed for inclusion in the NCTC FY 2017/18 OWP.

Action: Motion by Strawser, seconded by Parker to Pass Resolution 2017-24 approving the projects proposed for inclusion in the NCTC FY 2017/18 OWP.
(Approved 4 – 0; Senum absent)

2. **Subject:** Nevada City Chamber of Commerce Street Closure Requests
Recommendation: Review and authorize Nevada City Chamber of Commerce street closure requests per application.

Action: Motion by Strawser, seconded by Parker to authorize Nevada City Chamber of Commerce street closure requests per application with additional information forthcoming related to the Duck Race and direct staff to research ordinance authorizing alcohol at Chamber sponsored events.
(Approved 4 – 0; Senum absent)

3. **Subject:** Monthly Update on City Council Six-Month Strategic Objectives
Recommendation: Receive and file.

Action: Received and filed.

4. **Subject:** Repayment & Indemnification Agreement between the California Department of Housing and Community Development and the City of Nevada City regarding repayment of ineligible and potentially ineligible Program costs
Recommendation: Authorize mayor or mayor's staff designee to sign Agreement as is or as may be modified as to its terms.

Action: Motion by Strawser, seconded by Parker authorizing the Mayor or Mayor's designee to sign agreement with the California Department of Housing and Community Development as is or as may be modified to its terms.

(Approved 4 – 0; Senum absent)

6. PUBLIC HEARINGS:

7. OLD BUSINESS:

- A. **Subject:** An Ordinance Amending Chapter 9.22 of Title 9 of the Nevada City Municipal Code Entitled "Prohibiting Medical Marijuana Dispensaries," and Renaming It "Medical Cannabis Dispensaries and Other Cannabis Business Activity"; Adding Chapter 17.142 Entitled "Medical Cannabis Uses and Activity" to the Nevada City Municipal Code; and Amending Chapter 17.36 Entitled "Local Business Zone," Chapter 17.40 Entitled "General Business Zone," and Chapter 17.48 Entitled "Light Industrial Zone" (2nd Reading)
Recommendation: 1) Resolution 2017-25 approving the Notice of CEQA Exemption; 2) Introduce for second reading an Ordinance for the regulation of Medical Cannabis Dispensaries within City limits, waiving reading of the Ordinance; read title only, and adopt the Ordinance; 3) Direct staff to prepare fee recommendations related to the application and permitting process and develop a draft application procedure for Council's consideration; and 4) Direct staff to develop a ballot measure recommendation for the June 2018 election that would apply a tax on cannabis related businesses.

Action: Motion by Strawser, seconded by Parker, to adopt the Resolution 2017-25 finding that the adoption of the ordinance as corrected is not a "project" under CEQA because the ordinance will allow for the establishment of medical cannabis dispensaries to operate in a similar manner as traditional pharmacies which will not cause a direct physical change in the environment nor a reasonably foreseeable indirect physical change in the environment and even if the Ordinance could be considered a "project" it is exempt pursuant the California Environmental Quality Act (CEQA) Sections

- a. Section 15061(b) (3) because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment
- b. Section 15183 (projects consistent with a community plan, general plan, or zoning) since the type of business permitted by the ordinance is consistent with those contemplated by general plan and zoning, such as traditional pharmacies;
- c. Section 15301 (existing facilities) since the permitted medical cannabis dispensary business under the ordinance may locate in existing facilities, and any additions to structures would be expected to be also exempt under 15301; and
- d. Section 15303 (new construction or conversion of small structures). The medical cannabis business will be established in an urban area, and given the build out of the existing city, sufficient existing leasable property, the amount of construction that would occur is minimal to non-existent, and any such construction would be less than the thresholds established in Section 15303.

(Approved 4 – 0; Senum absent)

Action: Motion by Moberg, seconded by Strawser, to introduce the revised Ordinance for a second reading, waive reading, read title only and adopt Ordinance 2017-06 regulating Cannabis Dispensaries with the noted correction to Section 9.22.090.J(1) that limits the dispensary employee age to at least twenty-one (21) years.

(Approved 4 – 0; Senum absent)

Action: Staff also directed to 1) prepare fee recommendations related to the application and permitting process and develop a draft application procedure for Council's consideration; 2) develop a ballot measure recommendation for the June 2018 election that would apply a tax on cannabis related businesses

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8. NEW BUSINESS:

9. CORRESPONDENCE:

10. ANNOUNCEMENTS:

Please refer to the meeting video on the City's website at www.nevadacityca.gov.

11. CITY MANAGER'S REPORT:

12. ADJOURNMENT – 8:06 p.m.

ATTEST:

Evans Phelps, Mayor

Niel Locke, City Clerk